

# **Community Infrastructure Levy**

# Draft Charging Schedule

16<sup>th</sup> March 2011

## **Shropshire Draft Charging Schedule**

The Shropshire Community Infrastructure Levy provides for developer contributions towards infrastructure as part of an integrated development strategy, set out in the Shropshire Local Development Framework, for delivering sustainable development that is accompanied by adequate infrastructure. The Charging Schedule sets out the Levy for different types and locations of development.

It has been prepared in accordance with the Planning Act 2008 and the Community Infrastructure Levy Regulations<sup>1</sup> and is informed by local evidence regarding infrastructure requirements and the impact of a Levy on the economic viability of development, full details of which are available on Shropshire Council's website.

Accompanying guidance is provided in the Charging Schedule Accompanying Notes and in the Developer Contributions Supplementary Planning Document.

Table 1: Levy rates per square metre of development

Type of development	Shrewsbury, the market towns and other key centres	Rural – rest of Shropshire
Residential development (use class C3) excluding affordable housing as defined below	£40 per m2	£80 per m2
Affordable housing that meets the Council's definition of affordable dwellings <sup>1</sup> and occupational dwellings that will default to affordable housing <sup>2</sup>	nil	nil
Employment, commercial and retail development (use classes A1-A5 and B1-B8) Hotels, residential institutions, assembly & leisure (use classes C1, C2, D1, D2) Agricultural development Sui generis land uses	nil	nil

<sup>&</sup>lt;sup>1</sup> The Council's definition of "affordable dwellings" is contained in Appendix G of the Type and Affordability of Housing Supplementary Planning Document (March 2011). The definition includes homes built under the Shropshire "Build Your Own Affordable Home" single plot exception scheme, and other types of affordable housing.

<sup>&</sup>lt;sup>2</sup> Dwellings with an occupational restriction that also have a legal agreement that provides for the dwelling to revert to affordable housing in the event of the occupational restriction being lifted. Such provisions will normally apply to new

Community Infrastructure Levy Regulations 2010 (Statutory Instrument 2010 No. 948) as amended by the Community Infrastructure Levy (Amendment) Regulations 2011

agricultural workers' and estates workers' dwellings as required by the Shropshire Type and Affordability of Housing SPD.

#### The Charging Zones

The geographical extent of the urban and rural Levy Charging zones is defined in the 20 annexes, which form part of the statutory Charging Schedule. The urban zones include Shrewsbury and the settlements named in Core Strategy Policy CS3, namely Albrighton, Bishops Castle, Bridgnorth, Broseley, Church Stretton, Cleobury Mortimer, Craven Arms, Ellesmere, Highley, Ludlow, Market Drayton, Minsterley, Much Wenlock, Oswestry, Pontesbury, Shifnal, Wem and Whitchurch.

The urban zones include a buffer around the existing development boundaries to ensure that any future allocations of land for development, including the sustainable urban extensions, and any amendment to the development boundaries that occurs as a result of the Site Allocations and Management of Development DPD (SAMDev) process will be included within the urban zone. The Levy Charging zones are without prejudice to future decisions on allocations of land for development through the SAMDev.

#### Calculating the chargeable amount

The Council will issue a Liability Notice that states the chargeable amount as soon as possible after the grant of planning permission. The chargeable amount is calculated in accordance with Regulation 40 of The Community Infrastructure Regulations 2010 (as amended by the 2011 Regulations) as follows:

## Chargeable amount = Chargeable Development (A) x Levy rate (R) x inflation measure (I)

Where a development involves a mix of types of development to which different Levy rates apply (table 1), the chargeable development of each type is calculated separately and then added together to provide the total chargeable amount.

The Chargeable Development (A) is calculated using the following formula:

$$A = \frac{C_R \times (C-E)}{E}$$

where

(C<sub>R</sub>) = the gross internal area (floorspace) of the chargeable development chargeable at rate R less the aggregate gross internal area (floorspace) of all buildings (excluding new build) on completion of the chargeable development which, on the day planning permission first permits the chargeable development are situated on the relevant land and in lawful use, and will be part of the chargeable development after completion, will be chargeable at rate R<sup>2</sup>. [In other words, existing (permitted) uses are deducted from the calculation. This means that changes of use will generally not be liable. In

<sup>&</sup>lt;sup>2</sup> Regulation 40 as amended by Regulation 7 of the Community Infrastructure Levy (Amendment) Regulations 2011.

the case of conversions of existing buildings only the additional new build floorspace, such as an extension to the existing building, will be liable for the Levy.]

C = the gross internal area of the chargeable development

E = the aggregate of the gross internal areas of all buildings which, on the day planning permission first permits the chargeable development, are situated on the relevant land and in lawful use, and are to be demolished before completion of the chargeable development. Such buildings must have been in use for a continuous period of at least six months in the twelve months prior to the day planning permission first permits the chargeable development.

The Levy rate (R) is the applicable rate from Table 1.

The inflation measure (I%) is based on the annually updated national All-In Tender Price Index of construction costs published by the Building Cost Information Service of the RICS (Regulation 40). It ensures that account is taken of the timelag between the bringing into effect of the Charging Schedule and the grant of planning permission. The inflation measure is the index figure for the year in which planning permission was granted divided by the index figure for the year in which the charging schedule took effect.

### **Annexes: Levy Charging Zones**

The Charging Zones are shown in the following annexes and form part of the statutory Charging Schedule. In recognition that most users will access the Draft Charging Schedule electronically, and that maps have a large file size, the annexes are separate downloads.

A1 Shropshire overview

A2 Albrighton

A3 Bishops Castle

A4 Bridgnorth

A5 Broselev

A6 Church Stretton

A7 Cleobury Mortimer

A8 Craven Arms

A9 Ellesmere

A10 Highley

A11 Ludlow

A12 Market Drayton

A13 Minsterley

A14 Much Wenlock

A15 Oswestry

A16 Pontesbury

A17 Shifnal

A18 Shrewsbury

A19 Wem

A20 Whitchurch